

Budgeting for Results Implementation

1) Start with available revenue

- Illinois is required to live within its means
- First time in Illinois history the Governor's office produces a 3 year revenue projection
- 3 year revenue projection increases transparency and provides overview of anticipated spending pressures
- Projections show increasing cost pressures, particularly in the areas of pension payments and Medicaid costs
- Governor's budget must be based on existing revenues

2) Determine the State's priorities

FY 13 Outcome Areas

- 1) Providing a quality education and opportunities for growth
- 2) Enhancing the economic well-being of residents
- 3) Protecting the lives and property of citizens
- 4) Protecting the most vulnerable among us
- 5) Improving access to and cost effectiveness of healthcare
- 6) Improving the quality of life of citizens
- 7) Improving the efficiency and fiscal stability of State Government

3) Direct available resources to the programs that best address the needs of Illinois citizens

- Built out logic models for every State program
- Improved performance metrics
- Data driven analysis
- Spending based on program effectiveness

BUDGETING FOR RESULTS

BFR: Where We Are

- Multi-year process
 - Development of proper measurements is critical
 - Necessary to create proper tools for measurement

• Introduce, Identify, Measure, Evaluate

Budgeting for ResultsLaying the Groundwork for the Future

INTRODUCE

FY11/FY12

- Introduce BFR
- Develop goals for each outcome
- Create 7th outcome: healthcare
- Begin program identification
- Present FY13 introduced budget by program

IDENTIFY

- Begin using new performance reporting system
- Develop logic models for programs
- Begin development of outcome metrics

MEASURE

- Begin collecting outcome data in performance reporting system

FY13 & Beyond

- Report outcome data

EVALUATE

- Institute ongoing performance management with all agencies

Goals for FY13+ are dependent on GOMB's ability to engage performance metrics/management experts

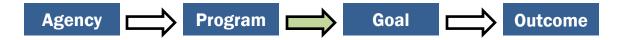
BUDGETING FOR RESULTS

Presenting the Budget Moving Beyond the Agency Silos

FY12 Introduced Budget



FY13 Introduced Budget



FY 12 Progress

- Developed strategic plan
 - In conjunction with our BFR Commission
- Developed initial goals for each outcome area
- Initial program identification
 - Programs attached to goals
- Begun process of development of logic models

BUDGETING FOR RESULTS

Sample state-level logic model:

Reducing and preventing youth tobacco use

Outcomes / Impact Inputs Activities Reach Short-term Medium-term Long-term Increased awareness of Promote community need to eliminate youth Increased compliance and involvement in restricting access to tobacco enforcement of laws and Decreased tobacco access to youth products, including Community policies Establish access to Coalition tobacco industry tactics, Parents. baseline of tobacco for Members laws, noncompliance Caretakers current practices minors Law enforcement Inform/educate Decreased supply to · Eliminate self-Retailer service minors Health Department Increased commitment to Facilitate active eliminate access/sources Funding enforcement of laws Social norms Increased knowledge and Increased # of youth Community org, Facilitate youth involvement Partners skills in participating in supportive of actively engaged in policy in policy change Businesses Local policy change youth Recruit youth change Policy makers Regional tobacco use Involve State Adults youth/adults Youth serving org Educate Increased commitment by Youth Increased adoption of youth and adults for youth policy changes that to participate in policy Promote school and involve youth in the change community based prevention change process Researc programs and policies Delayed h and Establish average age at Schools Increased knowledge best baseline of first use; Community about tobacco existing Increased # of effective practices reduced **Families** dependence; benefits resources prevention programs or initiation Youth serving org Educate and options for youth policies adopted Youth Assist with prevention (e.g, CDC planning and guidelines, school-family implementing initiatives) programs/service Reduced Increased # of youth morbidity and participating in prevention mortality Promote youth cessation Increased commitment to See Treating programs services and adopt effective Tobacco policies programs/policies for Addiction Youth youth prevention Logic Model

FY 13 Goals

- Development of enhanced internal performance reporting system
- Public-facing performance website
- Strategy mapping to refine goals
- Determine performance metrics and continue data collection
- Performance management through use of the Strategic Management Accountability Reporting Tool (SMART)

Challenges

- Capacity
- Timeline and expectations
- Collection, development, and incorporation of metrics
- Agency and stakeholder engagement
- Change management

What will it take to implement BFR?

- 1) Increased capacity
 - Coordinating with Pew Center on the State, Government Finance Officers Association, and the foundation community
- 2) Professional development in performance management
- 3) IT infrastructure and expertise
 - Work in building out internal reporting systems and publicfacing performance website